



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-971]

Multilayered Wood Flooring from the People's Republic of China: Preliminary Results and Partial Rescission of Countervailing Duty Administrative Review; 2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of multilayered wood flooring (wood flooring) from the People's Republic of China (China). The period of review (POR) is January 1, 2020, through December 31, 2020. Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert the Date of Publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Dennis McClure or Jonathan Schueler, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5973 or (202) 482-9175, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 8, 2011, Commerce issued a countervailing duty (CVD) order on wood flooring from China.¹ The American Manufacturers of Multilayered Wood Flooring (the petitioner) and other interested parties requested that Commerce conduct an administrative review of the *Order*. On February 4, 2022, Commerce published in the *Federal Register* a notice

¹ See *Multilayered Wood Flooring from the People's Republic of China: Countervailing Duty Order*, 76 FR 76693 (December 8, 2011) (*Order*); and *Multilayered Wood Flooring from the People's Republic of China: Amended Antidumping and Countervailing Duty Orders*, 77 FR 5484 (February 3, 2012), wherein the scope of the *Order* was modified (collectively, *Order*).

of initiation of an administrative review of the *Order*.² We initiated an administrative review of 92 producers/exporters of wood flooring from China for the POR. For events that occurred since the *Initiation Notice*, see the Preliminary Decision Memorandum.³

Scope of the *Order*

The product covered by the *Order* is wood flooring from China. For a complete description of the scope of the *Order*, see the Preliminary Decision Memorandum.

Final Rescission of Review, In Part

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. On February 7, 2022, Zhejiang Yuhua Timber Co. Ltd. (Zhejiang Yuhua) and A-Timber Flooring Company Limited (A-Timber Flooring) timely withdrew their request for review.⁴ On March 4, 2022, Jiashan HuiJiaLe Decoration Material Co., Ltd. (Jiashan HuiJiaLe) timely withdrew its request for review.⁵ On April 25, 2022, Kingman Floors Co., Ltd. (Kingman Floors) timely withdrew its request for review.⁶

With regard to Jiashan HuiJiaLe, while the company timely withdrew its request for review, there remains an active review request for it by another party; thus we are not rescinding the review with respect to this company.⁷ As for Zhejiang Yuhua, A-Timber Flooring, and Kingman Floors, because their requests for review were timely withdrawn and there are no other

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 87 FR 6487 (February 4, 2022) (*Initiation Notice*).

³ See Memorandum, “Decision Memorandum for the Preliminary Results in the Countervailing Duty Administrative Review of Multilayered Wood Flooring from the People’s Republic of China; 2020,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ See Zhejiang Yuhua’s and A-Timber Flooring’s Letter, “Withdrawal of Request for Administrative Review,” dated February 7, 2022.

⁵ See Jiashan HuiJiaLe’s Letter, “Notice of Withdrawal of Request for 2020 Administrative Review,” dated March 4, 2022.

⁶ See Kingman Floors’ Letter, “Notice of Withdrawal of Request for 2020 Administrative Review,” dated April 25, 2022.

⁷ See Petitioner’s Letter, “Request for Administrative Review,” dated December 30, 2022.

active review requests for them, we are rescinding this review, in part, with respect to these three companies, pursuant to 19 CFR 351.213(d)(1) and (4).

On April 1, 2022, Commerce notified interested parties that we intended to rescind this administrative review with respect to the companies listed in Appendix II, in the absence of suspended entries during the POR.⁸ Zhejiang Yuhua and A-Timber Flooring commented that they agree with the rescission of the review with respect to the companies listed in Appendix II and also reminded Commerce that they had already withdrawn their review requests.⁹ Additionally, the petitioner filed comments arguing that Commerce should not rescind the review for the companies identified in Appendix II because these companies possibly evaded payment of duties.¹⁰ In response to the petitioner's comments and request to do so, we referred the issue of alleged evasion to U.S. Customs and Border Protection (CBP).¹¹ Because CBP is the authority responsible for determining whether entries of merchandise are subject to the CVD order, we are relying on the entry data provided by CBP as the basis for determining whether to rescind this administrative review for the companies listed in Appendix II. Accordingly, we determine that there are no reviewable entries of subject merchandise by the companies listed in Appendix II based on our review of the CBP data on the record. As a result, we are rescinding this review, in part, with respect to the 67 companies listed in Appendix II, pursuant to 19 CFR 351.213(d)(3) and (4).

In addition, the following parties submitted no-shipment certifications: Anhui Longhua Bamboo Product Co., Ltd.; Benxi Flooring Factory (General Partnership) (Benxi Flooring); Benxi Wood Company; Dalian Jiahong Wood Industry Co., Ltd.; Dalian Shengyu Science and

⁸ See Memorandum, "Notice of Intent to Rescind Review, In Part," dated April 1, 2022 (Intent to Rescind Memorandum). A-Timber Flooring had no suspended entries during the POR, therefore we included it in this notice, but we failed to note that it had also withdrawn its request to be reviewed. Because there are no outstanding requests for review of A-Timber Flooring and we are rescinding the review with respect to it, we have omitted its name from Appendix II.

⁹ See Zhejiang Yuhua's and A-Timber Flooring's letter, "Comments Regarding Intent to Rescind," dated April 8, 2022.

¹⁰ See Petitioner's Letter, "Comments on Notice of Intent to Partially Rescind Review," dated April 8, 2022.

¹¹ See Commerce's Letter, "Countervailing Duty Order on Multilayered Wood Flooring from the People's Republic of China," dated May 5, 2022.

Technology Development Co., Ltd.; Dongtai Fuan Universal Dynamics, LLC; Dunhua City Dexin Wood Industry Co., Ltd.; Dunhua City Hongyuan Wood Industry Co., Ltd.; HaiLin LinJing Wooden Products, Ltd.; Jiangsu Keri Wood Co., Ltd.; Jiangsu Mingle Flooring Co., Ltd.; Jiangsu Simba Flooring Co., Ltd.; Jiangsu Yuhui International Trade Co., Ltd.; Jiashan On-Line Lumber Co., Ltd.; Pingde Timber Manufacturing (Zhejiang) Co., Ltd.; Power Dekor Group Co., Ltd.; Sino-Maple (Jiangsu) Co., Ltd.; Suzhou Dongda Wood Co., Ltd.; Tongxiang Jisheng Import and Export Co., Ltd.; and Zhejiang Shiyong Timber Co., Ltd. All of these companies were included in the Intent to Rescind Memorandum with the exception of Benxi Flooring. Therefore, as explained above, we are rescinding the review with regard to all these companies, except for Benxi Flooring. Our analysis of the CBP information placed on the record shows that Benxi Flooring made shipments during the POR.¹² Therefore, we are preliminarily treating Benxi Flooring as a non-selected company under review.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.¹³ For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision

¹² See Memorandum, “U.S. Customs and Border Protection (“CBP”) Entry Documents,” dated November 17, 2022.

¹³ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Memorandum can be accessed at <https://access.trade.gov/public/FRNoticesListLayout.aspx>. A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice.

Preliminary Rate for Non-Selected Companies Under Review

As discussed above, Commerce initiated this administrative review with respect to 92 producers/exporters. We are rescinding the review for three companies that withdrew their request for administrative review and for 67 companies that had no suspended entries during the POR. As discussed above, this group includes 19 companies that certified no shipments during the POR. In addition, Commerce selected two mandatory respondents, Jiangsu Senmao Bamboo and Wood Industry Co., Ltd. (Jiangsu Senmao) and Riverside Plywood Corp. (Riverside Plywood) for individual examination.¹⁴ For the remaining 18 companies subject to this review, because the rates calculated for mandatory respondents Jiangsu Senmao and Riverside Plywood were above *de minimis* and not based entirely on facts available, we applied a subsidy rate based on a weighted-average of the subsidy rates calculated for these mandatory respondents using the publicly ranged sales data they submitted on the record. This methodology is consistent with our practice for establishing an all-others subsidy rate pursuant to section 705(c)(5)(A) of the Act. For further information on the calculation of the non-selected respondent rate, refer to the section in the Preliminary Decision Memorandum entitled “Non-Selected Companies Under Review.” For a list of the non-selected companies, *see* Appendix III to this notice.

Preliminary Results of the Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for each of the mandatory respondents, Jiangsu Senmao and Riverside Plywood, and their cross-owned affiliates, where applicable.

¹⁴ Riverside Plywood’s cross-owned affiliates are Baroque Timber Industries (Zhongshan) Co., Ltd.; Suzhou Times Flooring Co., Ltd.; and Zhongshan Lianjia Flooring Co., Ltd. Both Baroque Timber Industries (Zhongshan) Co., Ltd. and Suzhou Times Flooring Co., Ltd. were listed separately in the *Initiation Notice*.

We preliminarily find the countervailable subsidy rates for the mandatory and non-selected respondents under review to be as follows:

Producer/Exporter	Subsidy Rate (percent)
Jiangsu Senmao Bamboo and Wood Industry Co., Ltd.	3.28
Riverside Plywood Corp. and its Cross-Owned Affiliates ¹⁵	15.93
Non-Selected Companies Under Review ¹⁶	12.24

Disclosure

We intend to disclose to interested parties the calculations performed for these preliminary results in accordance with 19 CFR 351.224(b).

Public Comment

Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.¹⁷ Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within seven days from the deadline date for the submission of case briefs.¹⁸ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this review are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information until further notice.¹⁹

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance within 30 days after the date of publication of this notice. Requests should contain 1) the party's name, address, and telephone number; 2) the

¹⁵ Cross-owned affiliates are Baroque Timber Industries (Zhongshan) Co., Ltd.; Suzhou Times Flooring Co., Ltd.; and Zhongshan Lianjia Flooring Co., Ltd.

¹⁶ See Appendix III.

¹⁷ See 19 CFR 351.309(c)(1)(ii).

¹⁸ See 19 CFR 351.309(d)(1) and (2).

¹⁹ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

number of participants; and 3) a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date and time of the hearing two days before the scheduled date.

An electronically filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.

Final Results

Unless extended, we intend to issue the final results of this administrative review, which will include the results of our analysis of the issues raised in the case briefs, within 120 days of publication of these preliminary results in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h).

Assessment Rates

In accordance with 19 CFR 351.221(b)(4)(i), we preliminarily assigned subsidy rates in the amounts for the producer/exporters shown above. Upon completion of the administrative review, consistent with section 751(a)(1) of the Act and 19 CFR 351.212(b)(2), Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review. For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2020, through December 31, 2020, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends, upon publication of the final results, to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above and in Appendix III on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate applicable to the company. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Interested Parties

These preliminary results are issued and published pursuant to sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: December 15, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Non-Selected Companies Under Review
- IV. Scope of the *Order*
- V. Diversification of China's Economy
- VI. Use of Facts Otherwise Available and Application of Adverse Inferences
- VII. Subsidies Valuation
- VIII. Interest Rate Benchmarks, Discount Rates, Inputs, Land-Use and Electricity Benchmarks
- IX. Analysis of Programs
- X. Recommendation

Appendix II

Companies with No Suspended Entries During the POR

1. Anhui Boya Bamboo & Wood Products Co., Ltd.
2. Anhui Longhua Bamboo Product Co., Ltd.
3. Anhui Yaolong Bamboo & Wood Products Co. Ltd.
4. Armstrong Wood Products (Kunshan) Co., Ltd.
5. Arte Mundi Group Co., Ltd. (f.k.a., Arte Mundi (Shanghai) Aesthetic Home Furnishings Co., Ltd., and Scholar Home (Shanghai) New Material Co., Ltd.)
6. Benxi Wood Company
7. Changzhou Hawd Flooring Co., Ltd.
8. Dalian Guhua Wooden Product Co., Ltd.
9. Dalian Huilong Wooden Products Co., Ltd.
10. Dalian Jaenmaken Wood Industry Co., Ltd.
11. Dalian Jiahong Wood Industry Co., Ltd.
12. Dalian Shengyu Science and Technology Development Co., Ltd.
13. Dalian T-Boom Wood Products Co., Ltd.
14. Dongtai Fuan Universal Dynamics, LLC
15. Dunhua City Dexin Wood Industry Co., Ltd.
16. Dunhua City Hongyuan Wood Industry Co., Ltd.
17. Dunhua City Jisen Wood Industry Co., Ltd.
18. Guangdong Yihua Timber Industry Co., Ltd
19. Guangzhou Homebon Timber Manufacturing Co., Ltd.
20. HaiLin LinJing Wooden Products, Ltd.
21. Hangzhou Hanje Tec Company Limited
22. Hangzhou Zhengtian Industrial Co., Ltd.
23. Hong Kong Chuanshi International
24. Hunchun Forest Wolf Wooden Industry Co., Ltd.
25. Hunchun Xingjia Wooden Flooring Inc.
26. Huzhou Chenghang Wood Co., Ltd.
27. Huzhou Fulinmen Imp. & Exp. Co., Ltd.
28. Huzhou Sunergy World Trade Co., Ltd
29. Jiangsu Keri Wood Co., Ltd.
30. Jiangsu Mingle Flooring Co., Ltd.
31. Jiangsu Simba Flooring Co., Ltd.
32. Jiangsu Yuhui International Trade Co., Ltd.
33. Jiashan On-Line Lumber Co., Ltd.
34. Jiaxing Brilliant Import & Export Co., Ltd.
35. Jiaxing Hengtong Wood Co., Ltd.
36. Jilin Xinyuan Wooden Industry Co., Ltd.
37. Karly Wood Product Limited
38. Kember Flooring, Inc. (a.k.a. Kember Hardwood Flooring, Inc.)
39. Kemian Wood Industry (Kunshan) Co., Ltd.
40. Kornbest Enterprises Limited
41. Les Planchers Mercier, Inc.
42. Linyi Anying Wood Co., Ltd.
43. Linyi Youyou Wood Co., Ltd. (successor-in-interest to Shanghai Lizhong Wood Products Co., Ltd.) (a.k.a. The Lizhong Wood Industry Limited Company of Shanghai)
44. Logwin Air and Ocean Hong Kong
45. Muchsee Wood (Chuzhou) Co., Ltd.
46. Pingge Timber Manufacturing (Zhejiang) Co., Ltd.

47. Power Dekor Group Co. Ltd.
48. Power Dekor North America Inc.
49. Samling Global USA, Inc.
50. Scholar Home (Shanghai) New Material Co. Ltd.
51. Shanghai Lairunde Wood
52. Shanghaifloor Timber (Shanghai) Co., Ltd.
53. Sino-Maple (Jiangsu) Co., Ltd.
54. Suzhou Dongda Wood Co., Ltd.
55. Tech Wood International Ltd.
56. Tongxiang Jisheng Import and Export Co., Ltd.
57. Xiamen Yung De Ornament Co., Ltd.
58. Xuzhou Shenghe Wood Co., Ltd.
59. Yekalon Industry, Inc.
60. Yihua Lifestyle Technology Co., Ltd.
61. Yingyi-Nature (Kunshan) Wood Industry Co., Ltd.
62. Zhejiang Dadongwu GreenHome Wood Co., Ltd. (a.k.a. Zhejiang Dadongwu Greenhome Wood Co., Ltd. and Zhejiang Dadongwu Green Home Wood Co., Ltd.)
63. Zhejiang Jiechen Wood Industry Co., Ltd.
64. Zhejiang Longsen Lumbering Co., Ltd.
65. Zhejiang Shiyou Timber Co., Ltd.
66. Zhejiang Shuimojiangnan New Material Technology Co., Ltd.
67. Zhejiang Simite Wooden Co., Ltd.

Appendix III

Non-Selected Companies Under Review

1. Benxi Flooring Factory (General Partnership)
2. Dalian Kemian Wood Industry Co., Ltd.
3. Dalian Penghong Floor Products Co., Ltd.
4. Dalian Qianqiu Wooden Product Co., Ltd.
5. Dalian Shumaike Floor Manufacturing Co., Ltd.
6. Dun Hua Sen Tai Wood Co., Ltd.
7. Dunhua Shengda Wood Industry Co., Ltd.
8. Fine Furniture (Shanghai) Limited
9. Fusong Jinlong Wooden Group Co., Ltd.
10. Fusong Jinqiu Wooden Product Co., Ltd.
11. Fusong Qianqiu Wooden Product Co., Ltd.
12. Huzhou Jesonwood Co., Ltd
13. Jiangsu Guyu International Trading Co., Ltd.
14. Jiashan HuiJiaLe Decoration Material Co., Ltd.
15. Kingman Wood Industry Co., Ltd.
16. Metropolitan Hardwood Floors, Inc.
17. Samling Elegant Living Trading (Labuan) Ltd.
18. Zhejiang Fuerjia Wooden Co., Ltd.

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